

MINUTES

CASE NUMBER: CR 05-00117HG-001
CASE NAME: UNITED STATES OF AMERICA v. (01) KENNETH CHIO HENG IONG
ATTYS FOR PLA: Leslie E. Osborne, Jr., AUSA
Florence Poon, Case Agent, IRS
Jason K. Pa, Case Agent, ICE
ATTYS FOR DEFT: (01) Brian Hershman, Esq.
U.S.P.O.: Roy T. Kawamoto

JUDGE: Helen Gillmor

REPORTER: Stephen Platt

DATE: June 7, 2007

TIME: 1:30 - 3:00

COURT ACTION: SENTENCING AS TO COUNTS 3 AND 11 OF THE
INDICTMENT AS TO DEFENDANT (01) KENNETH
CHIO HENG IONG -

The defendant is present on bond.

1:43 CST Stephen Hawkins.

Exhibit 1 - Summary of testimony of Mr. Quentin Quinn (admitted into evidence)

Exhibit 2 - Report prepared by Stephen Hawkins (admitted into evidence)

Exhibit 3 - Chart (not admitted into evidence)

Exhibit 4 - 1997 Amended U.S. Individual Income Tax Return (admitted into evidence)

Exhibit 5 - 1998 Amended U.S. Individual Income Tax Return (admitted into evidence)

Exhibit 6 - 1999 Amended U.S. Individual Income Tax Return (admitted into evidence)

Exhibit 7 - Conclusions of 1997, 1998, and 1999 by Stephen Hawkins (not admitted into evidence)

Exhibit 8 - Government's Evolving Story (admitted into evidence)

2:02 Cross-examination of Stephen Hawkins by Mr. Osborne

2:08 Re-direct examination of Stephen Hawkins by Mr. Hershman

2:11 Re-cross-examination of Stephen Hawkins by Mr. Osborne

The Memorandum of Plea Agreement is accepted.

Allocution by the defendant.

ADJUDGED:

IMPRISONMENT of 24 MONTHS as to each of Counts 3 and 11, to run concurrently.

SUPERVISED RELEASE: 3 YEARS as to Counts 3 and 1 YEAR as to Count 11, to run concurrently, upon the following conditions:

1. That the defendant shall abide by the standard conditions of supervision.
2. That the defendant not commit any crimes, federal, state, or local (mandatory condition).
3. That the defendant not possess illegal controlled substances (mandatory condition)
4. That the defendant shall cooperate in the collection of DNA as directed by the probation officer (mandatory condition).
5. The defendant shall submit to one drug test within 15 days of the commencement of supervision and at least two drug tests thereafter but no more than 8 valid drug tests per month during the terms of supervision.
6. That the defendant shall not possess a firearm, ammunition, destructive device, or any other dangerous weapon.
7. That the defendant cooperate with the Internal Revenue Service and arrange for the payment of delinquent taxes, interest and penalties, and the filing of tax returns.
8. That restitution in the amount of \$251, 940.00 is due immediately to the Internal Revenue Service, with any remaining balance upon release from confinement to be paid during the period of supervision on an installment basis according to the collection policy of the Probation Office but at a rate of not less than 10 percent of his monthly gross income.
9. That the defendant execute all financial disclosure forms, and provide the Probation Office and the Financial Litigation Unit of the U.S. Attorney's Office access to any requested financial information to include submitting to periodic debtor's examinations as directed by the Probation Office.

Special Assessment: \$200.00 (\$100.00 as to each of Counts 3 and 11)

RECOMMENDATION: Southern California.

MITTIMUS: The defendant shall surrender for service of sentence by 2:00 p.m. on July 19, 2007 to the Federal Detention Center in Honolulu.

Defendant (01) Kenneth Chio Heng Iong is to remain on electronic monitoring until he reports to the Federal Detention Center.

Government's Oral Motion to Dismiss the counts 1, 2, 4, 5, 6, 7, 8, 9, and 10 of the Indictment as to Defendant (01) Kenneth Chio Heng Iong is GRANTED.

Advised of rights to appeal the sentence, etc.

Submitted by: Mary Rose Feria, Courtroom Manager